

*Together We Can Make a
Difference:
Fraud Prevention and Awareness*





Objectives

- Increase Visibility Of OIG Office of Investigations
 - Provide fraud prevention & awareness briefings to Department employees and contractors worldwide
- Foster Collaborative Efforts With Department & Contractors
 - Identify and prevent Fraud via team concept (INV; Audit; ISP; Department and Contractors)
- Results
 - Assist Department bureaus in improving effectiveness & efficiency via Management Assistance Reports
 - Realize measured savings and return of funds to the Department



Who Is the OIG Office of Investigations?

OIG Investigations has a global mission focusing on fraud, waste, serious employee misconduct & mismanagement





CONTRACT FRAUD: External & Internal Elements

- Vendor / Supplier / Contractor
- Receiving or Shipping Personnel
- Certifying Official
- Accounting Personnel
- Purchasing Agent
- Contract Administration
- Contracting Officer / Representative / Specialist
- Program Official / Manager
- ❖ Any one making a purchase or claiming reimbursement



Contract Fraud Offenses

- Cost mischarging
- Change order abuse
- Product substitution
- Kickbacks / conflicts of interest
- Collusive bidding / price fixing
- Manipulate / leak / exclude bids



Red Flag Indicators

- Excessive, questionable change orders
- Inappropriate, excessive gifts or favorable treatment
- Paying too much for goods/services
- Unusually high or unnecessary purchases



Red Flag Indicators, continued

- Improper or repeated selection of a contractor / vendor
- Vendor address is PO box / mail drop or is incomplete or non-existent
- Gov't official has unexplained wealth or undisclosed business
- Invoices not original, altered, untimely, duplicate, or number sequence is questionable



Red Flag Indicators, continued

- Same companies always bid on contracts
- Losing bidder hired as subcontractor
- Losing bidder cannot be located
- Co-mingling of contracts
 - Bill for same items on one or multiple contracts

You Are The Key To Protecting Government Integrity



❖ REPORT:

- ✓ Indicators Of Fraud And Other Illegal Activities
- ✓ Waste
- ✓ Employee Theft
- ✓ Visa / Passport Fraud
- ✓ Integrity Violations And Unethical Conduct
- ✓ When In Doubt Call
- ✓ Together We Can Make A Difference



Who are you going to call?

(800) 409-9926

OIG HOTLINE

OIGHotline@state.gov

**Office of Inspector
General Hotline**

P.O. Box 9778

Arlington, VA 22219





POINT OF CONTACT

TIM F. MARCUM

Special Agent

Office of Investigations

Fraud Division

U.S. Department of State

Office of Inspector General

1700 N. Moore Street, Room 910

Arlington, VA 22209

Tel: (703) 284-1942

Fax: (703) 284-1955

Email: Marcumt@state.gov